

**MC/2115**

**Original: English  
14 July 2003**

**EIGHTY-SIXTH SESSION**

---

**REPORT ON THE HUNDREDTH SESSION  
OF THE EXECUTIVE COMMITTEE**

Geneva  
11 June 2003

CONTENTS

	<u>Page</u>
OPENING OF THE SESSION .....	1
CREDENTIALS OF REPRESENTATIVES AND OBSERVERS .....	1
ELECTION OF OFFICERS .....	1
ADOPTION OF THE AGENDA .....	1
REPORT OF THE DIRECTOR GENERAL ON THE WORK OF THE ORGANIZATION FOR THE YEAR 2002 AND STATEMENTS BY DELEGATIONS .....	2
FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2002 .....	4
STATEMENT BY A REPRESENTATIVE OF THE STAFF ASSOCIATION .....	5
REVISION OF THE PROGRAMME AND BUDGET FOR 2003 .....	7
ASSESSMENT SCALE FOR 2004 .....	8
OTHER ITEMS ARISING FROM THE REPORT OF THE SUBCOMMITTEE ON BUDGET AND FINANCE .....	8
Outstanding contributions to the Administrative Part of the Budget .....	8
Support for developing Member States and Member States in transition – 1035 Facility .....	9
Manila delocalization .....	9
PRELIMINARY EXCHANGE OF VIEWS ON ZERO NOMINAL GROWTH IN THE ADMINISTRATIVE PART OF THE BUDGET AND IOM'S GROWTH ..	9
ANY OTHER BUSINESS .....	12
DATE AND PLACE OF THE NEXT SESSION .....	12
CLOSURE OF THE SESSION .....	12

## **REPORT ON THE HUNDREDTH SESSION OF THE EXECUTIVE COMMITTEE**

### **OPENING OF THE SESSION**

1. The Executive Committee convened for its Hundredth Session at the Palais des Nations, Geneva, on Wednesday, 11 June 2003. Two meetings were held, chaired by Mr. F. Barreiro Perrotta (Paraguay). 1/

2. The session was attended by representatives of the following members of the Executive Committee 2/: Belgium, Canada, Colombia, Costa Rica, Croatia, Germany, Honduras, Italy, Japan, Norway, Paraguay, Peru, Thailand, Tunisia, United States of America and Yemen.

3. In addition, the following Member States were represented by observers: Albania, Algeria, Angola, Argentina, Armenia, Australia, Austria, Azerbaijan, Bangladesh, Benin, Bolivia, Bulgaria, Cambodia, Chile, Congo, Cyprus, Czech Republic, Democratic Republic of the Congo, Denmark, Dominican Republic, Ecuador, Egypt, El Salvador, Finland, France, Greece, Guatemala, Haiti, Hungary, Iran (Islamic Republic of), Ireland, Israel, Kazakhstan, Kenya, Kyrgyzstan, Latvia, Lithuania, Luxembourg, Madagascar, Mali, Morocco, Mexico, Netherlands, Nicaragua, Nigeria, Pakistan, Panama, Philippines, Poland, Portugal, Republic of Korea, Romania, Rwanda, Serbia and Montenegro, Slovakia, Slovenia, South Africa, Sri Lanka, Sudan, Sweden, Switzerland, Ukraine, United Kingdom of Great Britain and Northern Ireland, Uruguay, Venezuela and Zambia. 2/

### **CREDENTIALS OF REPRESENTATIVES AND OBSERVERS**

4. The Executive Committee took note that the Director General had examined the credentials of the representatives of and observers for Member States and found them to be in order.

### **ELECTION OF OFFICERS**

5. Mr. Barreiro Perrotta (Paraguay) was unanimously re-elected Chairperson and Mr. Ben Rjiba (Tunisia) was unanimously elected Vice-Chairperson.

### **ADOPTION OF THE AGENDA**

6. The Executive Committee adopted the agenda set out in document MC/EX/646/Rev.1.

---

1/ The discussions are reported in greater detail in the summary records of the meetings (MC/EX/SR/437 and MC/EX/SR/438).

2/ See List of Participants (MC/EX/653).

## **REPORT OF THE DIRECTOR GENERAL ON THE WORK OF THE ORGANIZATION FOR THE YEAR 2002 AND STATEMENTS BY DELEGATIONS**

7. The Director General introduced his Report on the work of the Organization for the year 2002 (MC/2114) and provided an update for 2003. His statement is reproduced as Annex I to Summary Record MC/EX/SR/437.

8. He highlighted IOM's continuing pattern of growth as its membership was set to go over the 100 mark at the Council session on 13 June 2003 and its operational budget was expected to approach USD 600 million, not counting anticipated growth in projects in Iraq and West Africa. IOM had 900 active projects worldwide.

9. Regional migration dialogue had been facilitated in recent months through, for example, a cooperation agreement between IOM and the Organisation of the Islamic Conference, and a seminar for the countries of the Black Sea Economic Cooperation Organisation. Other regional events included an IOM-organized consultation on labour-sending and labour-receiving countries of South and South East Asia, concerning organized labour migration; consultations on irregular migration within the framework of the Bali Process; and the annual vice-ministerial meeting of the Puebla Process at Cancun, Mexico.

10. Coordination with other international organizations was moving forward steadily, and Member States were participating actively in the debate on closer relations with the United Nations system. Discussions on strategic alliances continued with a range of partners. The Eighty-sixth Session of the Council would continue the debate on migration policy questions, including the future strategic orientations of the Organization.

11. The economic and development aspects of migration management had been the focus of strong attention at IOM. Working with the International Labour Organization (ILO), the World Bank, the Organisation for Economic Co-operation and Development (OECD), the United Nations Conference on Trade and Development (UNCTAD) and the World Trade Organization (WTO), IOM was seeking to develop practical solutions to questions related to the management of diasporas created by migration, including the better use of migrants' remittances.

12. IOM had published the World Migration Report 2003, which gave an overview of the state of migration worldwide, as a benchmark document for policy makers, practitioners and academics. The Organization had embarked on post-conflict programmes in and around Iraq, particularly with regard to internally displaced persons and to foreign workers and communities affected by returns and other migration movements.

13. The Administration had strengthened its internal management coordination mechanisms and was pursuing its policy of rotation for chiefs of mission and other senior officials.

14. The Executive Committee examined document MC/2114.

15. Statements were made by a large number of delegations concerning the development of IOM's activities in 2002 and 2003. Several speakers welcomed the steady increase in IOM's membership, which clearly reflected Member States' growing interest in migration problems and their support for the Organization's work. The question of membership was also connected with the broader debate on IOM's institutional arrangements and relations with other bodies that might be established within the framework of the United Nations system.

16. A number of speakers welcomed IOM's coordination with other organizations within the United Nations system, which should be encouraged and strengthened, in particular with the Office of the United Nations High Commissioner for Refugees (UNHCR) for humanitarian issues, the Joint United Nations Programme on HIV/AIDS (UNAIDS) for the health aspects of migration, and the International Labour Organization (ILO) and the World Trade Organization (WTO) in connection with labour migration. Partnerships with other organizations, including non-governmental organizations (NGOs) in the areas of labour, trade, development and the asylum/migration nexus should continue to be strengthened, with due attention to the respective mandates of the organizations concerned, so as to avoid duplication of activities.

17. Regarding IOM's institutional arrangements and its future status in relation to the United Nations system, several delegates welcomed the consultations on that matter, which had led to a better understanding of the issues at stake, but considered that further careful, in-depth reflection was needed before coming to a decision. It was important to achieve effective multilateral cooperation in migration matters, while nevertheless retaining the flexibility, efficiency and rapid response capacity which constituted IOM's hallmark.

18. Many speakers, including two groups of countries, welcomed IOM's emphasis on regional initiatives such as the Puebla Process, the Manila Process, the Bali Process, the South Caucasus Cluster Initiative and the 5 + 5 Dialogue which were effective in finding common solutions to problems such as irregular migration and return migration and in strengthening regional cooperation and the links between migration and development. The representative of one group of countries stressed the key importance of IOM's technical cooperation and counter-trafficking programmes in his region but regretted that the budget allocation for mass information projects had decreased considerably.

19. He also stressed the importance of the 1035 Facility and awaited with interest the results of the evaluation of the Facility, with a view to improving the criteria for its use. The representative of another group of countries expressed the view that projects under the 1035 Facility should not be implemented in countries in arrears with payment of their assessed contributions. That view was contested by the representative of a third group of countries, which considered that the Facility should be used for channelling well-defined and targeted development assistance projects towards the developing countries and those with economies in transition, and that the non-payment of assessed contributions should in no way affect the eligibility of States to benefit from the Facility.

20. The inclusion of labour migration in IOM's services was welcomed by a number of delegates as it reflected IOM's emphasis on the essential links between migration and development. The importance of IOM cooperation with ILO and WTO in that area was stressed.

21. It was pointed out that IOM's expertise was most valuable in the areas covered by its mandate: movement, migration health, technical cooperation on migration, assisted voluntary returns and mass information. One speaker, noting that a significant part of the deficit in the Operational Part of the Budget for 2002 had been caused by post-conflict and emergency activities, felt that IOM's comparative advantage in such areas required further clarification. The importance of IOM's strategic priorities was also stressed. One delegate considered that the matter of strategic priority should be addressed jointly by the Administration and the Member States through an appropriate consultation process.

22. Several speakers stressed the importance of IOM's counter-trafficking programmes, especially in Latin America, Central and South-Eastern Europe and Asia. It was pointed out that prevention was also important in that field, for example in the form of awareness-raising campaigns for potential victims, and effective protection, assistance and reintegration programmes for victims of trafficking. Up-to-date mass information programmes were also proving effective in that area.

23. Regarding IOM's internal management, decentralization and delocalization, some speakers welcomed the move towards greater decentralization and delocalization, both through increased use of the Missions with Regional Functions (MRFs) and through the transfer of certain administrative functions to Manila. One delegate stressed the need to have a clear view regarding the functions which should remain at Headquarters and to avoid taking hasty, short-term decisions in that area. Another speaker said that an evaluation should be made of the real long-term cost saving involved before taking any further decisions.

24. Concern was expressed on the question of arrears. It was hoped that the "Friends of the Chair" group would reach positive results on that matter, but one speaker representing a group of countries considered that if no results were forthcoming it might be necessary to apply Article 4 of the Constitution and perhaps take other measures such as the closure of offices or postponement of planned activities in the Member States concerned.

25. Regarding the principle of zero nominal growth in the Administrative Part of the Budget, the representative of one group of countries reiterated the group's long-standing attachment to that principle and suggested postponing further decisions on the matter until the results of the evaluation of the Manila delocalization were known. Another group of countries considered that the question of further expansion should be discouraged until all possible cost savings had been made, and a third group took the view that the whole situation should be reviewed, as continued application of zero nominal growth might prove harmful to programme implementation in the long run.

26. One speaker welcomed IOM's projects on research and studies on the causes and effects of migration and current migration trends, and several speakers welcomed the Council's additional function as a forum for migration policy dialogue.

27. The Chairperson reminded the Executive Committee that Resolution No. 106 (C) concerning the Report of the Director General would be considered for adoption after examination of the Financial Report for the year ended 31 December 2002.

## **FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2002**

28. The Executive Committee examined the Financial Report for the year ended 31 December 2002 (MC/2113), and the Report by IOM's External Auditors, the Office of the Auditor General of Norway, on the accounts for the financial year 2002 (Conference Room Paper/4).

29. The Rapporteur of the Subcommittee on Budget and Finance gave a summary of the relevant discussions in the Subcommittee.

30. The Executive Committee recommended that the External Auditors be reappointed for another three-year mandate (2004, 2005 and 2006) and noted that the External Auditors would carry out an evaluation of the Missions with Regional Functions.

31. The Executive Committee adopted Resolution No. 106 (C) concerning the Report of the Director General on the work of the Organization for the year 2002 and the Financial Report for the year ended 31 December 2002.

#### **STATEMENT BY A REPRESENTATIVE OF THE STAFF ASSOCIATION**

32. A representative of the Staff Association Committee (SAC) made a statement, raising four topics of concern to the staff: the IOM Provident Fund, dialogue with the Administration, the new management coordination function and the Manila delocalization.

33. The IOM staff were deeply concerned about the situation of the Provident Fund. The “core funds”, i.e. the money invested as a savings fund, had yielded very poor returns over the past ten years. The high-risk investment portfolio, known as Pictet Equity Funds, which had been proposed to the staff in 2000 had also suffered substantial losses of CHF 5.8 million, approximately 50 per cent of staff members’ investments, over two and a half years. The Provident Fund managers and administrators held key positions in the Organization’s financial structures yet were also on the Joint Provident Fund Task Force (JPFTF) which had been established to improve the Fund – a situation which had caused the SAC to lose confidence and resign from the Task Force.

34. The SAC proposed that the Administration jointly appoint an external independent expert to identify and address past mistakes and request an internal investigation and audit of the Provident Fund’s operations during the past ten years by the Office of the Inspector General; and that a new Provident Fund management team be appointed, with equitable representation by staff representatives.

35. Regarding dialogue between the Staff Association and the Administration, he said that in March 2003 the SAC had presented the Administration with Guidelines for Collaboration that were intended to promote transparency, dialogue, predictability and the timely exchange of relevant information, and to encourage the formation of alliances and joint action wherever possible and appropriate. The SAC trusted that the Administration would support all moves to improve working conditions.

36. Referring to the creation of the position of Director for Management Coordination, he said that the SAC had been informed, not consulted, about that decision; it had expressed concern about the effectiveness of conferring the new function on a staff member who was already in charge of two sizeable departments, and about an apparently excessive concentration of authority in a single position for which the required system of checks and balances was not specified. The SAC had reservations about the specific emphasis on discipline in the absence of any incidents requiring such an approach and about possible overlapping with the function normally attributed to the Ombudsperson.

37. In respect of the Manila delocalization process, the SAC was increasingly concerned by the broader impact of the process on staff and staff morale and on the Organization's efficiency and finances. It requested the Administration to provide a comprehensive plan on the process, together with a cost-efficiency analysis, and urged the Administration to establish a set of guidelines to be used whenever a post or person was considered for delocalization, in order to take also into account factors other than the financial advantages of delocalization. The talent and dedication of the staff should be honoured by avoiding further erosion of conditions of service. The best way of ensuring that was to provide the Human Resources Department with adequate resources to perform its tasks and keep pace with the Organization's growth.

38. Two delegates considered that, on account of the serious nature of the points raised, Member States should review the situation with the Administration.

39. The Director General said that the Provident Fund's performance had not fulfilled expectations and that due consideration would be given to the recommendations put forward by the SAC.

40. The Legal Adviser gave a detailed description of the development of the Provident Fund since the 1950s. There had been little change until the 1970s when, in response to the wish of staff members to participate in an investment plan, the statutes of the Fund had been amended, as set out in Regulation 6 of the Staff Regulations and Staff Rules for Officials and for Employees at Geneva, which made it clear that staff members were free to invest or not, as they wished, and that the Organization did not give any guarantee in respect of the investment plan or assume liability for any loss. In 2000, a further investment offer, the Pictet Equity Fund, had been accepted by some staff on the same terms as before, i.e. that it was an option not an obligation, to be taken up at the staff member's own risk of gain or loss. Two sets of measures had been decided on recently by the staff in cooperation with the Administration: first to achieve short-term improvements in the "core funds" and secondly to review the findings of the JPFTF, which would be available in June 2003, after which future action would be more clearly identifiable. The situation described by the representative of the SAC was serious and was being taken seriously: short- and medium-term measures had been adopted, and long-term measures should be examined in order to find a lasting solution to the problem.

41. The Director of Management Coordination explained that the establishment of a management coordination function was an example of the Organization's endeavour to find a cost-neutral solution to problems that had been exacerbated by IOM's substantial growth over the past few years. In response to the SAC's concerns, he said that the staff members in his own department were used to acting on his behalf when necessary, and that IOM would not be jeopardized by his placing greater emphasis on management coordination. He also pointed out that, like all IOM officials, he was governed by the rules and regulations of the Organization, which provided the required checks and balances. Regarding disciplinary matters, he pointed out that discipline was a legitimate part of management and that fair and rigorous appeal procedures were available to staff members wishing to contest decisions.

42. The Executive Committee took note of the statement by the representative of the Staff Association.



## **REVISION OF THE PROGRAMME AND BUDGET FOR 2003**

43. The Executive Committee examined the Revision of the Programme and Budget for 2003 (MC/EX/647 and MC/EX/647/Corr.1).

44. The Rapporteur of the Subcommittee on Budget and Finance summarized the main points of the relevant discussion in the Subcommittee. The Administrative Part of the Budget remained unchanged at CHF 36,673,000, as approved by the Council in December 2002. The scale of assessment had been revised to reflect the admission of five new Members, who had joined the Organization in December 2002 after approval of the scale of assessment for 2003. The estimated expenditure under the Operational Part of the Budget had been increased by USD 35 million, bringing the total revised budget to USD 538 million. The Subcommittee had recommended that the Executive Committee approve the Revision of the Programme and Budget for 2003.

45. One delegate requested clarification concerning a statement made by the Legal Adviser during the meeting of the working group on institutional arrangements in May 2003 to the effect that the Council's approval of the Operational Part of the Budget, and hence the projects in that part of the budget, constituted a granting by Council of a mandate for the activities conducted by the Organization under those projects. Before supporting the proposed revision to the existing budget he wished to know if that interpretation was correct.

46. The Legal Adviser said that IOM's mandate indeed derived from the Constitution, as complemented by relevant Council resolutions. Approval of the Programme and Budget did not grant the Organization a new right to act in a particular field but rather confirmed and clarified its mandate. If Member States considered that IOM should not engage in certain activities, it was the Council's responsibility to make that clear and the Administration would have to reconsider the matter. If Member States approved a programme, the Administration ensured its implementation within the limits of the budget. In fact, in approving the annual Programme and Budget, the Member States confirmed the Organization's mandate within a given field.

47. Another speaker supported the Legal Adviser's interpretation, adding that in approving the Programme and Budget for a given year the resulting mandate was valid only for that year and could be amended in later programmes and budgets if necessary.

48. One delegate, speaking on behalf of the African Group, said that the practical effects of migration were keenly felt in Africa and reiterated deep concern at the low level of allocation in the Operational Part of the Budget for programmes and activities in Africa. Despite the increase of almost USD 35 million in the Operational Part of the Budget for 2003, the percentage of funds directed to Africa and the Middle East regions would be little more than 10 per cent. The African Group wished to see the commitment demonstrated by all regional groups in dealing with the problems of the Administrative Part of the Budget echoed in a similar commitment to a more fair and representative allocation of funds to programmes and regions within the Operational Part of the Budget.

49. The Executive Committee adopted Resolution No. 107 (C) approving the Revision of the Programme and Budget for 2003.

## **ASSESSMENT SCALE FOR 2004**

50. After the Rapporteur of the Subcommittee on Budget and Finance had given a summary of the Subcommittee's deliberations, one delegate drew attention to the low level of representation of his country among IOM officials, namely three out of a total of 382 or 0.8 per cent, whereas its assessed contributions for 2004 accounted for 19.5 per cent of the total.

51. The Executive Committee approved the proposed adjustment to the IOM assessment scale for 2004 as set out in column 4, Annex II of document MC/EX/648.

## **OTHER ITEMS ARISING FROM THE REPORT OF THE SUBCOMMITTEE ON BUDGET AND FINANCE**

### Outstanding contributions to the Administrative Part of the Budget

52. The Executive Committee noted that the Subcommittee on Budget and Finance had reviewed the situation of outstanding assessed contributions, which had totalled some CHF 6,706,508 at 30 April 2003, and had studied an update on the situation provided by the Administration. The Subcommittee had decided to set aside substantive debate on the subject pending the outcome of the informal discussions being held on the matter by the "Friends of the Chair". The Chairperson of the Subcommittee on Budget and Finance said that the "Friends of the Chair" had discussed the scope and objectives of its work and identified questions which required clarification in order to understand the problem better and find solutions. Topics for further discussion included the reasons why countries became subject to the provisions of Article 4 of the Constitution and the "Friends" would submit a first substantive report on their work at the Ninetieth Session of the Subcommittee on Budget and Finance in October 2003. Meanwhile, the group would welcome any views or suggestions from Member States.

53. One delegate pointed out that arrears in payment of assessed contributions to the Administrative Part of the Budget totalled over CHF 7 million and that some 20 Member States were subject to the provisions of Article 4 of the IOM Constitution. The problem was serious enough to warrant the adoption of concrete measures and Member States in arrears should be encouraged to negotiate repayment plans with the Administration or lose their voting rights as from 2004. Her Government therefore favoured ratification of the amendment to Article 4 of the Constitution set out in Resolution No. 997 (LXXVI) adopted by the Council in November 1998.

54. Several delegates expressed concern about the serious impact of arrears on IOM's vital role, expressed appreciation to the Administration for its efforts to remedy the situation and looked forward to receiving the findings of the "Friends of the Chair" while some pointed out that it was incumbent on Member States to pay their contributions, and that should be encouraged.

55. The Executive Committee took note of the status report on outstanding contributions to the Administrative Part of the Budget (Conference Room Paper/5); noted with appreciation the efforts made by some States to pay their outstanding contributions; noted with serious concern the current situation and urged all Member States in arrears to make every effort to pay their outstanding contributions as soon as possible; urged, in particular, the Member States whose contributions had been outstanding for two or more consecutive years to pay their contributions in

full, or to agree to a repayment plan, together with the Administration, and make payment of a first instalment as soon as possible; and invited the Chairperson of the Subcommittee on Budget and Finance to continue the work started with the “Friends of the Chair”, in close cooperation with the Administration.

#### Support for developing Member States and Member States in transition – 1035 Facility

56. After the Rapporteur of the Subcommittee on Budget and Finance had reported on the Subcommittee’s discussions, explaining that it had decided not to enter into a substantive discussion on the 1035 Facility, one delegate queried the use of the term “Member States in transition”. There were “Member States with an economy in transition” and more accurate terminology should therefore be used.

57. The Executive Committee took note of the reports on support for developing Member States and Member States in transition – 1035 Facility (SCBF/256 and SCBF/257).

#### Manila delocalization

58. The Executive Committee learned that the Subcommittee on Budget and Finance had taken note of document MC/EX/649 containing additional information on the Manila delocalization. Various speakers expressed support for the delocalization in terms of cost benefit. Two delegates appreciated receiving updates on the process and requested the Administration to provide more detailed information on actual savings and staff movements; one of them had noted the comment of the Staff Association representative concerning the need to formulate a comprehensive plan and guidelines taking into account more than the short-term financial advantages of delocalization.

59. The Executive Committee took note of document MC/EX/647 containing additional information on the Manila delocalization.

### **PRELIMINARY EXCHANGE OF VIEWS ON ZERO NOMINAL GROWTH IN THE ADMINISTRATIVE PART OF THE BUDGET AND IOM’S GROWTH**

60. The Administration recalled that since 1996 there had been only two exceptions to the principle of zero nominal growth. A 5 per cent increase in 2001 had been closely linked to an allocation from Discretionary Income set aside for the 1035 Facility and there had been another increase of 2.54 per cent in 2003, mainly to cover cost and statutory increases and a rise in the United Nations security system (UNSECOORD) fees. The overall increase since 1996 amounted therefore to only about 7.5 per cent in the Administrative Part of the Budget, which had risen from CHF 34 million in 1996 to CHF 36 million in 2003. During the same period the Organization had grown significantly: membership had expanded to more than 100 States, the Operational Part of the Budget had risen to almost USD 600 million, the number of offices had increased to 160 and the number of staff to more than 3,400. Those figures showed clearly that the Administrative Part of the Budget was not adequate and meant that the Organization had to absorb costs amounting to approximately CHF 1 million every year. Although some functions had been delocalized to Manila, efforts had to be considered comprehensively and the Administration considered that Member States should be requested to review IOM’s growth in relation to the zero nominal growth principle on which the Administrative Part of the Budget was based, so as to determine more clearly to what extent and for how long the Organization could continue to achieve

efficiency without limiting its potential for improvement. Any decisions should be taken in full knowledge of the implications of the zero nominal growth principle for an organization such as IOM. The Administration's understanding was that zero nominal growth would include cost and statutory increases that were beyond the Organization's control.

61. Most speakers who took the floor understood the need for and were willing to participate in discussions on the zero nominal growth concept in order to allow IOM to fulfill its role. One delegate supported the adoption of a zero real growth-based budget for a trial period and on specific conditions so as to provide flexibility for the Organization. One speaker considered that zero nominal growth should be maintained through achieving increased efficiency and adopting strategic priorities while others agreed on the need for increased efficiency although they were prepared to review the principle of zero nominal growth. It was stressed by two delegates that growth in the Organization was not an end in itself and pointed out that compensation programmes, of which the administrative costs were separate from the Administrative Part of the Budget, should not be included in the statistics relating to growth in the Operational Part of the Budget.

62. One delegate emphasized that IOM should retain its "lean" nature and both he and another delegate suggested that Missions with Regional Functions (MRFs) could serve to share IOM's cost burden. Another delegate wondered whether there was a link between the constant need for increases in the Administrative Part of the Budget and the arrears in IOM's assessed contributions and whether reducing arrears might provide a solution. It was stressed by another delegate that if Member States approved the creation of additional functions, logically they should be prepared to approve consequential increases in the Administrative Part of the Budget. Many delegates who took the floor commended the Administration for its efforts to function within the heavy constraints of a zero nominal growth budget.

63. The Executive Committee took note of document MC/EX/650 on zero nominal growth in the Administrative Part of the Budget and IOM's growth.

64. The Director General, replying to comments and questions raised, said that the preliminary discussion on zero nominal growth had begun very well by showing that there was support for change but also a desire to retain the Organization's lean structure. Discussions would continue through preparations for the Programme and Budget for 2004 and the governing body meetings in autumn 2003 and he thanked all delegations for their valuable observations, especially in regard to the need for greater support for IOM's core functions. The Administration would continue to make savings as best it could. The Manila delocalization question had been mentioned frequently: although still experimental, the measure had proved positive and further delocalization to Manila could take place without disrupting IOM's operations or causing difficulties for its personnel. Consideration was also being given to other forms of decentralization to effect cost saving.

65. IOM had had to spend considerable sums on staff security, a prime responsibility of the management, and in order to do that as effectively as possible the new staff security unit had been placed in Manila. The MRFs should also be studied: the IOM External Auditors had been asked to evaluate the MRF system and the situation should be reviewed to see what adjustments could be made in the interests of saving money and keeping the Organization as lean as possible.

66. It had been suggested that the large compensation programmes were probably of a temporary nature and were self-financing. His view was that IOM's expertise in compensation

would continue to be in demand. He would not automatically assume that when the GFLCP ended in December 2004 that phase of the Organization's activity would also end. Even though the GFLCP and the HVAP had self-contained budgets, they had a major impact on the IOM core budget. One reason why IOM had been requested to host the programmes was that it had a worldwide network of offices and staff who could take on the additional functions, but the increased workload and enhanced security requirements had to be supported. In addition, the type of staff required altered as the programmes evolved.

67. In the past few years, IOM had taken steps to strengthen the management of the Organization and to identify ways in which Headquarters could serve the Field without adding more positions; in fact, positions had been subtracted and much work had been delegated. For example, the Director of the Migration Management Service (MMS) had helped to place all the project development assistance together in one group to serve the Field. The Office of the Inspector General (OIG) had been greatly strengthened, enabling IOM to evaluate, inspect and, if necessary, investigate problems as they arose. The Migration Policy and Research Programme (MPRP) had done the same by bringing together various strands, resulting in more consistent research and publication efforts. A further example was the new management coordination function which would provide a single point of focus in Headquarters for solving problems, for instance between Headquarters and the Field or between different regions.

68. Referring to the point made by the delegate of Japan that his country was under-represented in the Organization, he agreed that Japan gave substantial support to IOM in both parts of the budget and the IOM management would endeavour to remedy the situation for Japan and other under-represented Member States. An attempt would also be made to issue external vacancy notices in good time. Of course, a growing organization offered greater possibilities of change and readjustment than one which was stagnating, but IOM was moving into new areas geographically, which called for a positive outreach effort towards under-represented Member States.

69. Replying to another delegate, he said that the evaluation of the MPRP was almost complete and the results would be available, probably on the IOM web site, in the near future. Regarding the attention paid to IOM by some of the anti-globalization demonstrators recently, the IOM management was working hard on outreach to non-governmental organizations (NGOs), civil society groups and others, to explain its functions and work, but probably a greater effort was needed.

70. The Deputy Director General, replying to a question raised by one delegate, said that the Migration for Development in Africa (MIDA) programme had gained momentum in 2002. The aim was to find a way of linking migration and development and, instead of theorizing, IOM had decided to persuade by example, through the establishment of small, specific, circumscribed programmes that could be managed on very small resources. Two aspects had been taken into consideration: first, the fact that migrants throughout the world had potential through the knowledge and skills they had acquired and, secondly, the potential of the money they had earned. IOM had suggested that migrants should make their knowledge and skills available to their countries of origin either temporarily, periodically or permanently, through MIDA, to strengthen capacity there. It had set up programmes designed specifically to enhance the skills of migrants living in the developed countries, enabling them to improve capacity-building in the fields of education or of business administration in the private sector in the developing countries, either virtually or through visits to the country, in line with the Return of Qualified African Nationals (RQAN) programme organized some years previously by IOM.

71. The first programme of the new type had been financed by Belgium, which she thanked warmly, for Rwanda, Burundi and the Central African Republic. Since 2002, there had been a large number of requests from countries of origin that IOM should channel the skills of their nationals abroad into their national development programmes. Consequently, the Netherlands had financed a programme concerning health professionals in Ghana; the United States had financed a programme to enable women to aid development in Liberia, Sierra Leone and Guinea and, similarly, a workshop in Rwanda and Burundi was being financed so that women migrants from those countries could help national reconstruction through economic activities. Thus migrants abroad were assisting in the campaign against poverty in their countries of origin through the establishment of proper dialogue between the countries of the North and the countries of emigration.

72. The Southern African Development Community (SADC) and the Economic Community of West African States (ECOWAS) had also requested IOM to design programmes for their member countries. To date, 19 projects were ready, finance was being arranged for some, and Italy had funded a programme for transfer of technology, concerning microbusinesses in the private sector and also health and agriculture, from Ethiopian and Ghanaian migrants living in Italy, in keeping with the needs expressed by their countries.

73. On the financial side, remittances to some countries accounted for three times the amount of public development assistance, and to others, double the amount of direct foreign investment. The matter warranted further study since only IOM was putting the concept into operation and should therefore disseminate the idea that migrants could help their countries of origin to develop. It would also help to regulate migratory flows, because if more skilled people returned to improve their countries, perhaps fewer would seek a better life elsewhere. She looked forward to a more substantial debate on migration and development at the next regular session of the IOM Council in autumn 2003.

#### **ANY OTHER BUSINESS**

74. The Executive Committee noted that requests for membership had been received from the Governments of the Islamic Republic of Mauritania, New Zealand and the Republic of Moldova, their assessments being 0.040 per cent, 0.270 per cent and 0.040 per cent respectively. The applications for membership would be considered at the forthcoming Eighty-fifth (Special) Session of the Council.

#### **DATE AND PLACE OF THE NEXT SESSION**

75. Pursuant to Council Resolution No. 972 (LXXIV) of 26 November 1997, no session of the Executive Committee would be held in November 2003. The next session would therefore be held in spring 2004 in Geneva, with the provisional dates of 8 and 9 June 2004.

#### **CLOSURE OF THE SESSION**

76. The Hundredth Session of the Executive Committee of the International Organization for Migration closed on Wednesday, 11 June 2003, at 5.40 p.m.